

STATE OF MINNESOTA  
DEPARTMENT OF COMMERCE

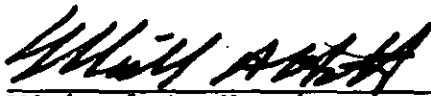
Bulletin 88-2  
Issued this 28th day  
of March, 1988

To: All Insurers Who Write Credit Life  
Insurance in Minnesota

The Department of Commerce has adopted changes relating to the prima facie rates that may be used in Minnesota for credit life insurance policies and certificates. A copy of the rule change is enclosed.

The effective date of this change is June 1, 1988.

All questions in regard to policy filings on credit life insurance should be directed to the Life and Health Section of the Department of Commerce, 500 Metro Square Building, St. Paul, MN 55101, to the attention of John E. Gross, Senior Commerce Analyst, (612) 296-6929.



Michael A. Hatch  
Commissioner of Commerce

1 Department of Commerce

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3 Adopted Permanent Bulca Relating to Credit Life Insurance

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5 Rules as Adopted

6 2760.0300 RATE LIMITATIONS.

7 Subpart 1. [Unchanged.]

8 Subp. 2. Decreasing term credit Life. For decreasing term

9 credit life insurance, a single premium of 40 cents per annum

10 per \$100 of initial insured indebtedness. A premium payable

11 monthly at the rate of 61.5 cents per \$1,000 of outstanding

12 unpaid insured indebtedness will be deemed the actuarial

13 equivalent of the foregoing rate. The premium rate standard set

14 forth is applicable to a plan of death benefits with or without

15 requirements for evidence of insurability:

16 A. that contains no exclusions, or no exclusions

17 other than for suicide, flight in noncheduled aircraft, war, or

18 military service; and

19 B. contains no age restrictions, or only age

20 restrictions making ineligible for the coverage debtors 65 or

21 over at the time the indebtedness is incurred, or debtors who

22 will have attained age 66 or over on the maturity date of the

23 indebtedness.

24 Subp. 3. Level amount credit life. For level amount term

25 credit life insurance, a single premium of 73.6 cents per annum

26 per \$100 of initial insurance. A premium payable monthly at the

27 rate of 61.5 cents per \$1,000 of initial insurance will be

28 deemed the actuarial equivalent of the foregoing rate. The

29 premium rate standard set forth is applicable to a plan of death

30 benefits, with or without requirements for evidence of

31 insurability that:

32 A. contains no exclusions, or no exclusions other

33 than for suicide, flight in nonscheduled aircraft, war, or

34 military service; and

35 B. contains no age restrictions, or only age

1 restrictions making ineligible for the coverage debtors 65 or  
2 over at the time the indebtedness is incurred, or debtors who  
3 will have attained age 66 or over on the maturity date of the  
4 indebtedness.

5 Subp. 4. Decreasing term joint credit. For decreasing  
6 term joint credit life insurance, a single premium of 66.7 cents  
7 per annum per \$100 of initial insured indebtedness. A premium  
8 payable monthly at the rate of 102.6 cents per \$1,000 of initial  
9 joint credit life insurance will be deemed the actuarial  
10 equivalent of the foregoing rate. The premium rate standard set  
11 forth above is applicable to a plan of death benefits, with or  
12 without requirements for evidence of insurability that:

13 A. contains no exclusions, or no exclusions other  
14 than for suicide, flight in nonscheduled aircraft, war, or  
15 military service; and

16 B. contains no age restrictions, or only age  
17 restrictions making ineligible for the coverage debtors 65 or  
18 over at the time the indebtedness is incurred, or debtors who  
19 will have attained age 66 or over on the maturity date of the  
20 indebtedness.

21 Subp. 5. to 9. [Unchanged.]

22 Subp. 10. [See repealer.]

23 Subp. 10a. New policies. This part applies to all  
24 individual credit insurance policies sold after the date which  
25 is 30 days after the notice of adoption of this part is  
26 published in the State Register, and to all debtors enrolled  
27 under group certificates or policies issued or renewed after  
28 that date.

29 Subp. 11. [Unchanged.]

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31 REPEALER. Minnesota Rules, part 2760.0300, subpart 10, is  
32 repealed.